

NSC BRIEFING

11 August 1954

PEIPING ADMITS FLOOD DISASTER

- I. Peiping now admits flood damage amounts to major disaster:
  - A. Before, Chinese Communists insisted that floodwaters under control and damage slight.
  - B. Now admit that six percent of China's cultivated land--about 23,000 square miles, nearly size of state of Indiana--has been inundated.
  - C. This land, mostly in rice-rich area of Central China, would normally grow over 10 percent of China's annual food crops.
- II. Peiping genuinely surprised by scope of disaster.
  - A. May have been fooled by temporary drop in Yangtze water level at Hankow in late July.
  - B. But river began rising again; by 10 August had reached record 57 foot level (previous high, in 1931, 53 1/2 feet).
- III. 1931 was year of most damaging flood in modern Chinese history.

A. Affected an area of 95,000 square miles: damage estimated at US \$1.3 billion.

B. In addition to millions in flooded cities, 25 million farm population hit.

IV. Present Chinese food purchases abroad insufficient to meet disaster.

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C. Moreover, Peiping has large rice export commitments:

270,000 tons to Ceylon for rubber; 200,000 tons to USSR.

V. Peiping's public (8 August) admission of flood damage suggests Chinese might now welcome foreign relief.

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- C. Soviet aid to Peiping likely to be forthcoming:

Pravda first noted flood on 9 August, saying critical struggle being waged against floods in China.

- D. Peiping's prestige in Orbit, emphasis on Sino-Soviet "friendship", would make relief gesture necessary.

VI. Also precedent for Communist acceptance Western relief.

- A. Of Eastern European Satellites offered US emergency flood relief, East Germany and Hungary have accepted, Rumania politely declined, Czechoslovakia has not replied. Hungary also accepted Dutch offer of 50,000 guilders (US \$13,000).

- B. East German press and radio has portrayed acceptance of "generous offer" as expression of East German policy of "furthering. . . international understanding."

VII. Communist China is in more awkward position, however, as regards any possible offer of US aid.

- A. Peiping has always denied possibility of "genuine friendly aid" from US.

- B. Peiping's internal program relies more heavily on

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anti-American propaganda than any Satellite.

- C. Peiping would certainly prefer that aid come from Orbit, Asian "neutrals" or other states recognizing Communist China.